



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 13, 2016

Certified Return Receipt
7015 0640 0001 4528 8014

Ironshore Indemnity, Inc.
12890 Lebanon Road
Mt. Juliet, Tennessee 37127

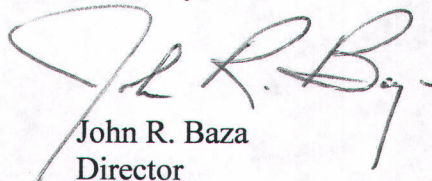
Subject: Authorization for Full Release of Reclamation Surety Bond # 1, N&J
Associates, Golden Dragon Mine, S/047/0113, Uintah County, Utah

Dear Sir or Madame:

The Utah Division of Oil, Gas and Mining (Division) authorizes full release of reclamation surety bond number _____ which was issued by Ironshore Indemnity, Inc., to ensure reclamation of N&J Associates' Golden Dragon Mine. The Division has verified that all reclamation work has been completed satisfactorily.

If you have any questions or concerns, please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261. Thank you for your help in this matter.

Sincerely,



John R. Baza
Director

JRB:aa:pb

Enclosure: Original surety bond #

cc: N&J Associates, Operator njsenterprises21@gmail.com

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May 24, 2006

Bond Number _____
Surety NAIC No. 23647
Permit Number S/047/0113
Mine Name Golden Dragon

ATTACHMENT A
To
RECLAMATION CONTRACT
BETWEEN PRINCIPAL AND DIVISION

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

THE UTAH MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned N & J Associates, LLC, as Principal,
a Limited Liability Company organized under the laws of the State of Colorado and
Ironshore Indemnity Inc., as Surety, a Corporation
organized under the laws of the State of Minnesota, hereby jointly and severally bind ourselves,
our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of
Utah, Division of Oil, Gas and Mining ("Division") and _____
(other agency, if any) in the penal sum of Nineteen Thousand Eight Hundred and No/100
dollars (\$ 19,800.00).

This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms
and conditions of the Reclamation Contract, and any addendums thereto, to reclaim lands that will be
affected by mining operations as identified in the Notice of Intention received, or approved if
applicable, by the Division on the 30th day of April, 20 13.

The lands that are covered by this Surety Bond are the Lands Affected by mining
operations as defined and described in the above Notice, and the Mining and
Reclamation Plan if required, subject to terms and conditions of the Reclamation
Contract.

The condition of this obligation is that if the Division determines that Principal has
satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or
Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and

complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

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MR-SUR
Attachment A
(revised May 24, 2006)

Bond Number _____
Surety NAIC No. 23647
Permit Number S/047/0113
Mine Name Golden Dragon

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

N & J Associates, LLC

Principal (Permittee)

JAMES L. McPhail

By (Name and Title typed):

J. L. McPhail

Signature

Date

5/31/13

Surety Company

Ironshore Indemnity Inc.

Surety Company Name

12890 Lebanon Road

Street Address

Bonnie J. Wortham

Surety Company Officer

Mt. Juliet, TN 37122

City, State, Zip

Attorney-In-Fact

Title/Position

615-553-9500

Phone Number

Bonnie J. Wortham

Signature

May 15, 2013

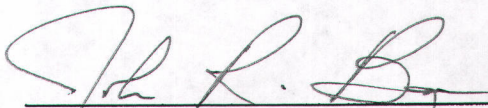
Date

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MR-SUR
Attachment A
(revised May 24, 2006)

Bond Number _____
Surety NAIC No. 23647
Permit Number S/047/0113
Mine Name Golden Dragon

SO AGREED this 15th day of May, 20 13.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

 6/24/13
John R. Baza, Director
Utah State Division of Oil, Gas and Mining

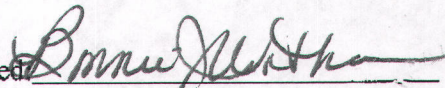
*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

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MR-SUR
Attachment A
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AFFIDAVIT OF QUALIFICATION

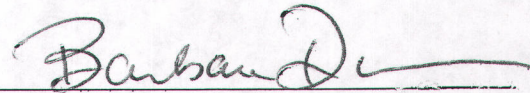
On the 15th day of May, 20 13, Bonnie J. Wortham
personally appeared before me, who being by me duly sworn did say that he/she, the said
Bonnie J. Wortham is the Attorney-In-Fact of
Ironshore Indemnity Inc. and duly acknowledged that said instrument was signed on behalf
of said company by authority of its bylaws or a resolution of its board of directors and said
Bonnie J. Wortham duly acknowledged to me that said company executed the same, and that
he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized
to execute the same and has complied in all respects with the laws of Utah in reference to becoming
sole surety upon bonds, undertaking and obligations.

Signed 
Surety Officer

Title: Bonnie J. Wortham, Attorney-In-Fact

STATE OF Kentucky)
) ss:
COUNTY OF Jefferson)

Subscribed and sworn to before me this 15th day of May, 20 13.


Notary Public Barbara Duncan
Residing at: Louisville, KY

My Commission Expires:

June 28, 20 16.

POWER OF ATTORNEY

III-

Ironshore Indemnity Inc.

KNOW ALL MEN BY THESE PRESENTS, that IRONSHORE INDEMNITY INC., a Minnesota Corporation, with its principal office in New York, NY does hereby constitute and appoint: Brook T. Smith, Raymond M. Hundley, Jason D. Cromwell, James H. Martin, Sandra L. Fusinetti, Deborah Neichter, Jill Kemp, Jackie C. Koestel, Sheryon Quinn, Dawson West, Bonnie J. Wortham, Amy Meredith, Lynette Long, Barbara Duncan, Mark A. Guidry, Michele Lacrosse and Summer A. Betting its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of IRONSHORE INDEMNITY INC. on the as follows:

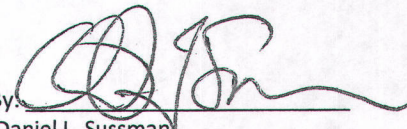
Resolved, that the Director of the Company is hereby authorized to appoint and empower any representative of the company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed \$2,500,000 dollars, which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed for good cause and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the Director and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Secretary, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, IRONSHORE INDEMNITY INC. has caused this instrument to be signed by its Director, and its Corporate Seal to be affixed this

IRONSHORE INDEMNITY INC.

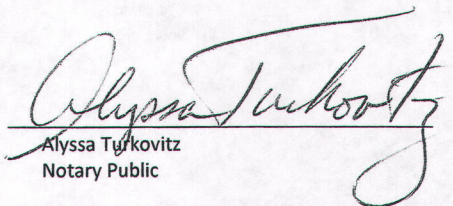


By: 
Daniel L. Sussman
Director

ACKNOWLEDGEMENT

On this 1st Day of May, 2013, before me, personally came Daniel L. Sussman to me known, who being duly sworn, did depose and say that he is the Director of Ironshore Indemnity, Inc., the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.

ALYSSA TURKOVITZ
Notary Public, State of New York
No. 01TU6044514
Qualified in Westchester County
Commission Expires July 10, 2014

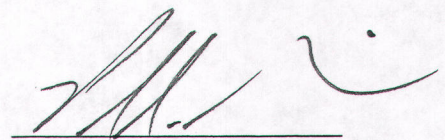

Alyssa Turkovitz
Notary Public

CERTIFICATE

I, the undersigned, Secretary of IRONSHORE INDEMNITY INC., A Minnesota Company, DO HEREBY CERTIFY that the original Power of Attorney of which the foregoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Sealed at this 1st Day of May, 2013.




Paul S. Giordano
Secretary

"WARNING: Any person who knowingly and with intent to defraud any insurance company or other person, files and application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."